



HOUSE OF REPRESENTATIVES
STATE OF DELAWARE
LEGISLATIVE HALL
DOVER, DELAWARE 19901

November 16, 2012

The Honorable Jack Markell
Office of the Governor
150 William Penn Street
Tatnall Bldg., 2nd Floor
Dover, DE 19901

Governor Markell,

We have received numerous calls from the leadership of fraternal organizations in our districts expressing concern about a threatened state crackdown on the operation of gaming machines in their establishments.

Although the operation of gaming machines involving the payment of prizes is an apparent violation of current law, it is our belief that these organizations did not have any intent to flout state authority. Rather, we contend that most of these groups engaged in this activity for many years believing they were exempt from the statute.

In a letter recently sent to these organizations, state authorities promised to zealously enforce the law and stop the gaming.

This presents us with a challenge. Because of the state's long-standing tolerance of these operations, and the organizations' belief that they were operating legitimately, the primary and secondary revenue resulting from these machines has become a core funding mechanism for these groups. We fear that removing this vital aspect of their operations will not only force the elimination of jobs, it will also significantly impact the many charitable works these organizations undertake and may even imperil their continued existence. The loss of such groups – especially downstate – would create an irreparable hole in the fabric of the communities they serve.

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Obviously, we need to ensure that these types of gaming operations are conducted equitably and that abuses are avoided. Issues including licensing, regulation and oversight (possibly by the Delaware Lottery Office) need to be carefully considered and vetted.

For this reason, we respectfully ask that you suspend the threatened shutdown of these operations to give your administration and the General Assembly a chance to collectively explore these questions. Working together, we are confident we can find a workable solution.

We look forward to receiving your response on this matter.

Sincerely,
State Representatives
Bobby Outten,
Jack Peterman,
Harvey Kenton,
Steve Smyk,
Michael Ramone,
Tim Dukes,
Deborah Hudson,
Don Blakey,
Dave Wilson,
Ruth Briggs King,
Dan Short,
Jeff Spiegelman,
& Ron Gray